



Oregon

Theodore R. Kulongoski, Governor

Water Resources Department

North Mall Office Building
725 Summer Street NE, Suite A
Salem, OR 97301-1271
503-986-0900
FAX 503-986-0904

CITY OF SHANIKO
ATTN: DEBRA HOLLBROOK
PO BOX 17
SHANIKO, OR 97057

May 23, 2008

Reference: File G-16847

Dear Applicant:

THIS IS NOT A PERMIT AND IS SUBJECT TO CHANGE AT THE NEXT PHASE OF PROCESSING.

This letter is to inform you of the preliminary analysis of your water use permit application and to describe your options. In determining whether a water use permit application may be approved, the Department must consider the factors listed below, all of which must be favorable to the proposed use if it is to be allowed. Based on the information you have supplied, the Water Resources Department has made the following preliminary determinations:

Initial Review Determinations:

1. The application requested the use of 250.0 gallons per minute, which is 0.56 cubic feet per second (CFS) from Well 1 (WASC 51536), Well 2 and Well 3 in Big Pine Hollow Basin for year-round municipal uses.
2. The proposed use is not prohibited by law or rule except where otherwise noted below.
3. The use of water from Well 1 (WASC 51536), Well 2 and Well 3 in Big Pine Hollow Basin for municipal uses is allowable under the John Day Basin Program.
4. If properly conditioned, the proposed use of ground water will avoid injury to existing ground water rights and the resource.

The Department has determined, based upon OAR 690-09, that the proposed ground water use will not have the potential for substantial interference with any surface water source.

5. The application indicates that you have a recorded easement or written authorization with Columbia Empire Farms permitting the use of Well 1 (WASC 51536). However, the Department has received comments from Columbia Empire Farms stating that you do not have permission to use this well.

If you have a recorded easement or written authorization, please provide a copy for the Department's records.

If you do not have a recorded easement or written authorization, the Department can continue processing the application with the inclusion of Well 1 (WASC 51536) while you pursue an agreement with Columbia Empire Farms. However, prior to permit issuance, if one is issued, you will need to provide a copy of the agreement for the Department's records.

If you no longer wish to pursue a permit for the use of Well 1 (WASC 51536), you may remove it from the application by sending a written request to the Department. If you chose to do this, please also provide a revised map which excludes Well 1 (WASC 51536).

Summary of Initial Determinations

The use of 0.56 CFS from Well 1 (WASC 51536), Well 2 and Well 3 in Big Pine Hollow Basin for municipal uses is allowable year-round.

Because of these favorable determinations, the Department can now move your application to the next phase of the water rights application review process. This phase is where public interest factors will be evaluated.

Please reference the application number when sending any correspondence regarding the conclusions of this initial review. Comments received within the comment period will be evaluated at the next phase of the process.

To Proceed With Your Application:

If you choose to proceed with your application, you do not have to notify the Department. Your application will automatically be placed on the Department's Public Notice to allow others the opportunity to comment. After the comment period the Department will complete a public interest review and issue a proposed final order.

Withdrawal Refunds:

If you choose not to proceed, you may withdraw your application and receive a refund (minus a \$150 processing charge per application.) To accomplish this you must notify the Department in writing by **Friday, June 6, 2008**. For your convenience you may use the enclosed "STOP PROCESSING" form.

If A Permit Is Issued It Will Likely Include The Following Conditions:

1. Measurement, recording and reporting conditions:
 - A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter at each point of appropriation. The permittee shall maintain the meter(s) in good working order. The permittee shall keep a complete record of the amount of water used each month, and shall submit a report which includes the recorded water use measurements to the Department annually or more frequently as may be required by the Director. Further, the Director may require the permittee to report general water-use information, including the place and nature of use of water under the permit.
 - B. The permittee shall allow the watermaster access to the meter(s); provided however, where any meter is located within a private structure, the watermaster shall request access upon reasonable notice.
2. The Department requires the water user to obtain, from a qualified individual (see below), and report annual static water levels for each well on the permit. The static water level shall be measured in the month of March. Reports shall be submitted to the Department within 30 days of measurement.

The permittee shall report an initial March static water-level measurement once well construction is complete and annual measurements thereafter. Annual measurements are required whether or not the well is used. The first annual measurement will establish a reference level against which future measurements will be compared. However, the Director may establish the reference level based on an analysis of other water-level data. The Director may require the user to obtain and report additional water levels each year if more data are needed to evaluate the aquifer system.

All measurements shall be made by a certified water rights examiner, registered professional geologist, registered professional engineer, licensed well constructor or pump installer licensed by the Construction Contractors Board. Measurements shall be submitted on forms provided by, or specified by, the Department. Measurements shall be made with equipment that is accurate to at least the standards specified in OAR 690-217-0045. The Department requires the individual performing the measurement to:

- A. Associate each measurement with an owner's well name or number and a Department well log ID; and
- B. Report water levels to at least the nearest tenth of a foot as depth-to-water below ground surface; and
- C. Specify the method of measurement; and
- D. Certify the accuracy of all measurements and calculations reported to the Department.

The water user shall discontinue use of, or reduce the rate or volume of withdrawal from, the well(s) if any of the following events occur:

- A. Annual water-level measurements reveal an average water-level decline of three or more feet per year for five consecutive years; or
- B. Annual water-level measurements reveal a water-level decline of 15 or more feet in fewer than five consecutive years; or
- C. Annual water-level measurements reveal a water-level decline of 25 or more feet; or
- D. Hydraulic interference leads to a decline of 25 or more feet in any neighboring well with senior priority.

The period of restricted use shall continue until the water level rises above the decline level which triggered the action or the Department determines, based on the permittee's and/or the Department's data and analysis, that no action is necessary because the aquifer in question can sustain the observed declines without adversely impacting the resource or causing substantial interference with senior water rights. The water user shall not allow excessive decline, as defined in Commission rules, to occur within the aquifer as a result of use under this permit. If more than one well is involved, the water user may submit an alternative measurement and reporting plan for review and approval by the Department.

- 3. Use of water under authority of this permit may be regulated if analysis of data available after the permit is issued discloses that the appropriation will measurably reduce the surface water flows necessary to maintain the free-flowing character of a scenic waterway in quantities necessary for recreation, fish and wildlife in effect as of the priority date of the right or as those quantities may be subsequently reduced.
- 4. The well(s) shall be cased and sealed in such a manner to develop a single basalt aquifer.

The water source identified in your application may be affected by an Agricultural Water Quality Management Area Plan. These plans are developed by the Oregon Department of Agriculture (ODA) with the cooperation of local landowners and other interested stakeholders, and help to ensure that current and new appropriations of water are done in a way that does not adversely harm the environment. You are encouraged to explore ODA's Water Quality Program web site at http://www.oregon.gov/ODA/NRD/water_agplans.shtml to learn more about the plans and how they may affect your proposed water use.

If you have any questions:

Feel free to call me at 503-986-0815 if you have any questions regarding the contents of this letter or your application. Please have your application number available if you call. General questions about water rights and water use permits should be directed to our customer service staff at 503-986-0801. When corresponding by mail, please use this address: Joel Plahn, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joel Plahn', with a long horizontal flourish extending to the right.

Joel Plahn
Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

G-16847
WAB 6-
POU 6-
GW

APPLICATION FACT SHEET

Application File Number: G-16847

Applicant: CITY OF SHANIKO

County: WASCO

Watermaster: 21

Priority Date: MAY 4, 2007

Source: WELL 1 (WASC 51536), WELL 2 AND WELL 3 IN BIG PINE HOLLOW BASIN

Use: MUNICIPAL USES

Quantity: 0.56 CUBIC FOOT PER SECOND

Basin Name & Number: John Day, #6

Stream Index Reference: Volume 1 JOHN DAY BL KIMBERLY MISC

Well Location(s):

WELL 1 (WASCO 51536) - NESE, SECTION 36, T6S, R16E, W.M.; 2070 FEET
NORTH AND 980 FEET WEST FROM SE CORNER, SECTION 36

WELL 2 - NENE, SECTION 1, T7S, R16E, W.M.; 100 FEET SOUTH AND 1270 FEET
WEST FROM NE CORNER, SECTION 1

WELL 3 - NENE, SECTION 1, T7S, R16E, W.M.; 180 FEET SOUTH AND 1220 FEET
WEST FROM NE CORNER, SECTION 1

Place of Use:

NE $\frac{1}{4}$ NE $\frac{1}{4}$

NW $\frac{1}{4}$ NE $\frac{1}{4}$

SW $\frac{1}{4}$ NE $\frac{1}{4}$

SE $\frac{1}{4}$ NE $\frac{1}{4}$

NE $\frac{1}{4}$ SE $\frac{1}{4}$

NW $\frac{1}{4}$ SE $\frac{1}{4}$

SW $\frac{1}{4}$ SE $\frac{1}{4}$

SE $\frac{1}{4}$ SE $\frac{1}{4}$

SECTION 36

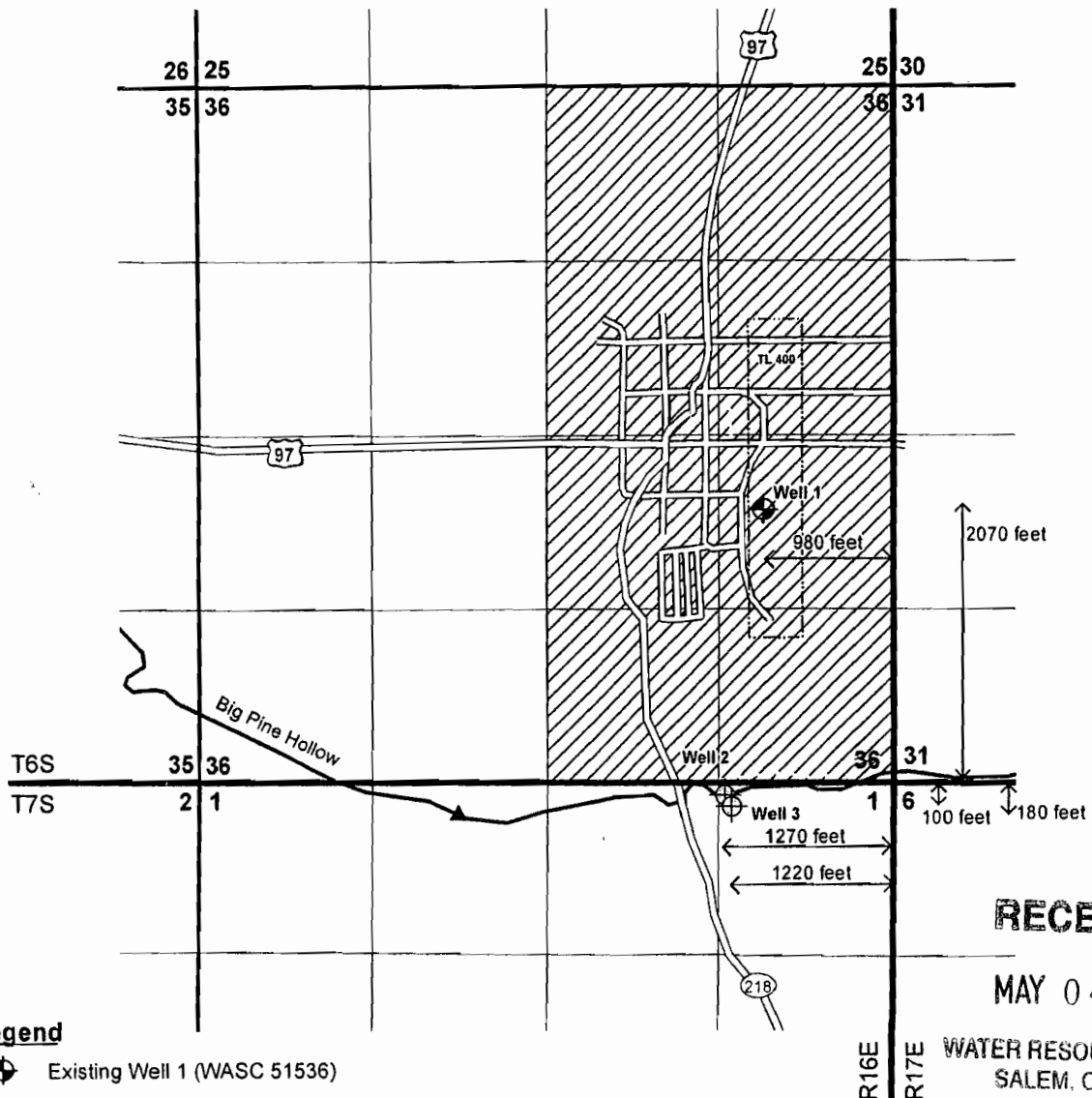
TOWNSHIP 6 SOUTH, RANGE 16 EAST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, June 6, 2008

PUBLIC NOTICE DATE: Tuesday, May 27, 2008

30 DAY COMMENT DEADLINE DATE: Thursday, June 26, 2008

**T6S, R16E, WM, Section 36
T7S, R16E, WM, Section 1
Wasco County, Oregon**

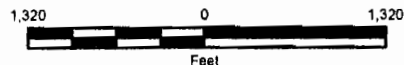


Legend

- Existing Well 1 (WASC 51536)
- Proposed Wells 2 & 3
- Tax Lot
- Proposed Place of Use
- Stream
- Road
- Township/Range
- Section
- Quarter Quarter

This map is not intended to provide legal dimensions or locations of property ownership lines.

1 inch = 1,320 feet



RECEIVED

MAY 04 2007

**WATER RESOURCES DEPT
SALEM, OREGON**

Permit Application Map

**City of Shaniko
Shaniko, Oregon**

GEOENGINEERS

Figure 1

Map Date: April 18, 2007

Path: P:\121254100101\GIS\1254100101\Fig1.mxd

PORT

App No C-16847